

**INFORMATIONAL LETTER NO. 2095-MC-FFS**

**DATE:** January 17, 2020

**TO:** Iowa Medicaid Pharmacies

**APPLIES TO:** Managed Care (MC), Fee-for-Service (FFS)

**FROM:** Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

**RE:** Pharmacy Cost of Dispensing Survey

**EFFECTIVE:** Upon Receipt

**Background:**

During the 2013 Iowa Legislative session, the 85th Iowa General Assembly enacted the requirement that DHS base the actual dispensing fee on the cost of dispensing survey performed by the Department. All pharmacies participating in the medical assistance program are required to complete the survey every two years beginning in 2014. Any dispensing fee expenses, required to be submitted under [Senate File 446](#)<sup>1</sup>, that specifically identifies a pharmacy or a provider's individual cost will remain confidential. Any change to the dispensing fee requires that the Department obtain approval from the Centers for Medicare and Medicaid Services (CMS) through the state plan process.

**Process:**

The IME has contracted with the firm of Myers and Stauffer LC to conduct a dispensing cost survey. Myers and Stauffer is a national accounting and consulting firm that specializes in assisting state Medicaid agencies in a multitude of health care provider settings. Instructions for completion of the cost of dispensing survey will be included with the survey packet to be mailed in February 2020.

**Important Dates:**

Cost of Dispensing Surveys Mailed to Pharmacies	February 4, 2020
Cost of Dispensing Survey due Date	March 26, 2020
Implementation of Dispensing Fee	TBD

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<sup>1</sup> [https://www.legis.iowa.gov/DOCS/NOBA/85\\_SF446\\_Final.pdf](https://www.legis.iowa.gov/DOCS/NOBA/85_SF446_Final.pdf)

**Contact Information for Myers and Stauffer LC Pharmacy Unit:**

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